

**STATE OF LOUISIANA**

**DEPARTMENT OF ENVIRONMENTAL QUALITY**

**IN THE MATTER OF:**

**THE LAKE STREET WATER CORPORATION**

**AI # 22148**

**PROCEEDINGS UNDER THE LOUISIANA  
ENVIRONMENTAL QUALITY ACT**

**LA. R.S. 30:2001, ET SEQ.**

\* **Settlement Tracking No.**  
\* **SA-WE-07-0006**  
\*  
\* **Enforcement Tracking No.**  
\* **WE-CN-04-1069**  
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\* **Docket No. 2005-4026-EQ**  
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**SETTLEMENT**

The following Settlement is hereby agreed to between The Lake Street Water Corporation ("Respondent") and the Department of Environmental Quality ("DEQ" or "the Department"), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. ("the Act").

**I**

Respondent is a corporation who operates a sewerage treatment plant facility located at the end of Aberdeen Street off of Lake Street in Lake Charles, Calcasieu Parish, Louisiana ("the Facility").

**II**

On April 18, 2005, the Department issued to Respondent a Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. WE-CN-04-1069, which was based upon the following findings of fact:

The Respondent owns and/or operates a sewage treatment plant which serves the residences of Highland Meadows and Trails Subdivisions located at the end of Aberdeen Street, off of Lake Street in Lake Charles, Calcasieu Parish, Louisiana. Louisiana Water Discharge Permit System

(LWDPS) General Permit WG030044 was issued to the Respondent on or about December 17, 1991, and expired on July 31, 1994. LWDPS permit WG030044 authorized the Respondent to discharge treated sanitary wastewaters to an unnamed ditch, thence to Coulee Apolate, thence to Coulee Hippolyte, thence into Intracoastal Waterway, all waters of the state. The Respondent did not submit a permit renewal application 180 days prior to the expiration of LWDPS WG030044; therefore, the Respondent has no authorization to discharge wastes and/or substances to waters of the state. A permit renewal application was submitted to the Department on or about January 15, 1998.

An inspection conducted by the Department on or about March 7, 2003, revealed that the Fecal Coliform holding time was exceeded during the months of November 2002 through January 2003. Also noted was a pH log book was not being kept for the pH meter.

An inspection conducted by the Department on or about August 12, 2004, pursuant to a citizen's complaint, revealed two (2) wastewater treatment units and one (1) lift station are located at this site. The lift station had a buildup of debris on top of it. The north wastewater treatment unit contained a large amount of floating solids and debris and a willow tree was growing out of the top of the unit. The aeration system on the north unit had an aeration line that appeared to be broken off approximately 10" above the water and a strong odor of sewage was noted. The broken line was free-flowing air above the water, resulting in a loud hissing noise rather than aerating the plant. Both of the aerators on the south wastewater treatment unit appeared to be inoperable. Floating solids and debris were observed accumulating in the clarifier and on the edges of the aeration chamber. A strong odor of sewage was also noted coming from the south unit. On August 18, 2004, the inspector spoke to a representative of the Respondent, who stated that the two motors on the south unit were to

be replaced soon, as one is burnt and the other shuts down after it overheats. The Respondent's representative further stated that the lift station had recently been pumped out, and that he was unaware of the broken aeration system on the north unit.

An inspection conducted by the Department on or about October 1, 2004, pursuant to a citizen's complaint, revealed that boards observed missing from a fence during the August 12, 2004 inspection had been replaced. The aerators for the north and south units were in the off position. Both of the wastewater treatment units had a heavy buildup of floating solids (the buildup had increase in both units since the August 12, 2004, inspection). A strong odor was noted at the south unit and at the outfall ditch south of the units. The inspector contacted a facility representative and advised him of the findings of the inspection. The representative stated that he would contact the service company to discuss the findings of the inspection. A follow-up inspection was conducted by the Department on November 15, 2004, which revealed that one of the aerator motors on the south unit had been replaced and was running. A strong odor was still being emitted from the unit and the discharge contained a heavy blanket of foam and had a strong odor. Heavy debris was located on the ground and on top of the lift station. The inspector was advised by the wastewater superintendent that the motor on the south unit had been replaced approximately two weeks ago. The wastewater superintendent also stated that the treatment manual indicated that bugs should be added to the treatment systems, the failure of which contributed to the strong odors from the units.

A file review conducted by the Department on or about December 26, 2004, revealed that the Respondent continued to submit DMRs after the expiration of LWDPs permit WG030044, which indicates continued discharges from the facility into waters of the state. Each discharge after July 31,

1994, is unauthorized and is in violation of La. R.S. 30:2075, La. R.S. 30:2076 (A)(1) (a), R.S. 30:2076 (A) (3), LAC 33:IX.501.A, and LAC 33:IX.501.D.

A file review conducted by the Department on or about December 26, 2004, revealed that the Respondent failed to submit an application for the renewal of its LWDPS permit 180 days prior to the expiration date. A Louisiana Pollutant Discharge Elimination System (LPDES) permit application was received by the Department on or about March 6, 1998. The Respondent's failure to submit its permit application in a timely manner constitutes a violation of LWDPS permit WG030044 (Part II, Section D and Part III, Sections A.1 and D.8.a), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.2701.A, and LAC 33:IX.2701.B.

A file review conducted by the Department on or about December 26, 2004, revealed the Respondent discharged improperly treated wastewater. The following effluent results were reported by the Respondent on Discharge Monitoring Reports (DMRs):

DATE	PARAMETER	PERMIT LIMIT	REPORTED VALUE
11/01	ph	6.0 s.u. – 9.0 s.u.	9.15 s.u.
10/01	TSS, daily avg. TSS, daily max.	20 mg/L 30 mg/L	56 mg/L 56 mg/L
9/01	Fecal Coliform, daily avg. Fecal Coliform, daily max. Flow, daily max.	200 col/100 ml 400 col/100 ml 49,999 gpd	>1,000 col/100 ml >1,000 col/100 ml 52,700 gpd
6/01	Fecal Coliform, daily avg.	200 col/100 ml	260 col/100 ml
12/00	TSS, daily avg. TSS, daily max. Fecal Coliform, daily avg. Fecal Coliform, daily max. BOD <sub>5</sub> , daily avg. BOD <sub>5</sub> , daily max.	20 mg/L 30 mg/L 200 col/100 ml 400 col/100 ml 20 mg/L 30 mg/L	88 mg/L 88 mg/L >1,000 col/100 ml >1,000 col/100 ml 52 mg/L 52 mg/L
10/00	TSS, daily avg. TSS, daily max.	20 mg/L 30 mg/L 200 col/100 ml	60 mg/L 60 mg/L >1,000 col/100 ml

	Fecal Coliform, daily avg. Fecal Coliform, daily max. BOD <sub>5</sub> , daily avg. BOD <sub>5</sub> , daily max.	400 col/100 ml 20 mg/L 30 mg/L	>1,000 col/100 ml 43 mg/L 43 mg/L
9/00	TSS, daily avg. TSS, daily max. Fecal Coliform, daily avg. Fecal Coliform, daily max. BOD <sub>5</sub> , daily avg. BOD <sub>5</sub> , daily max.	20 mg/L 30 mg/L 200 col/100 ml 400 col/100 ml 20 mg/L 30 mg/L	58 mg/L 58 mg/L >1,000 col/100 ml >1,000 col/100 ml 36 mg/L 36 mg/L
8/00	Fecal Coliform, daily avg.	200 col/100 ml	270 mg/L
6/00	Fecal Coliform, daily avg.  Fecal Coliform, daily max.	200 col/100 ml 400 col/100 ml	>1,000 col/100 ml >1,000 col/100 ml
4/00	TSS, daily avg. Fecal Coliform, daily avg.	20 mg/L 200 col/100 ml	24 mg/L 400 col/100 ml
2/00	BOD <sub>5</sub> , daily avg. BOD <sub>5</sub> , daily max.  TSS, daily avg. TSS, daily max.	20 mg/L 30 mg/L 20 mg/L 30 mg/L	61 mg/L 114 mg/L 25 mg/L 40 mg/L
1/00  1/00	TSS, daily avg. TSS, daily max. Fecal Coliform, daily avg. Fecal Coliform, daily max.	20 mg/L 30 mg/L 200 col/100 ml 400 col/100 ml	N/A 47 mg/L N/A 1,600 col/100 ml
11/99	BOD <sub>5</sub> , daily avg. BOD <sub>5</sub> , daily max. TSS, daily avg. TSS, daily max.	20 mg/L 30 mg/L 20 mg/L 30 mg/L	101 mg/L 197 mg/L 30.5 mg/L 36 mg/L

Each unauthorized discharge of pollutants to waters of the state is in violation of La. R.S. 30:2075, La. R.S. 30:2076(A)(1)(a), La. R.S. 30:2076(A)(3), LAC 33:IX.501.A, LAC 33:IX.501.C, LAC 33:IX.501.D, and LAC 33:IX.2311.A.1.

### III

In response to the Consolidated Compliance Order and Notice of Potential Penalty, Respondent made a timely request for a hearing and submitted its position and possible defenses to

the allegations contained in the enforcement action. Respondent did, in fact, reapply for a discharge permit and the LDEQ continued to accept permit fees from the Respondent. A permit renewal application was submitted to the LDEQ on or about January 15, 1998; however, due to factors beyond Respondent's control Louisiana Pollutant Discharge Elimination System Permit (LPDES) LA0081981 was not issued to Respondent until on or about March 11, 2005.

#### IV

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

#### V

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of FOUR THOUSAND AND NO/100 DOLLARS (\$4,000.00) of which One Thousand Thirteen and 65/100 Dollars (\$1,013.65) represents DEQ's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to DEQ as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

#### VI

The parties acknowledge that Respondent is an insolvent corporation whose only asset is the sewage treatment system. The parties further acknowledge that Respondent will transfer ownership and operation of the sewer system and LDEQ permit to a third-party for no consideration.

#### VII

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order and Notice of Potential Penalty and this Settlement for the purpose

of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

#### VIII

This agreement shall be considered a final order of the secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

#### IX

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. It is the intent of the parties to the Settlement that the execution of this Settlement, the terms and conditions of this Settlement, or any act or performance by the Respondent under this Settlement shall not be (i) admissible in any proceeding for the purpose of imputing, implying or otherwise raising an inference of wrongdoing by the Respondent, or (ii) used against the Respondent in any other proceeding with any third party not a signatory to this Settlement. This Settlement, compromise and release is in favor of Respondent and its officers, directors, shareholders and agents involving, or related to, the operation of the facility made subject of the enforcement action cited in Paragraph III above. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in LSA- R. S. 30:2025(E) of the Act.

## X

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Calcasieu Parish, Louisiana. The advertisement, in form, wording, and size approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted a proof-of-publication affidavit to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

## XI

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

## XII

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

## XIII

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.



THE LAKE STREET WATER CORPORATION

BY:

[Signature]  
(Signature)

Mr Fawez Shamieh  
(Print)

TITLE:

president

THUS DONE AND SIGNED in duplicate original before me this 9 day of

July, 20 007, at Lake Charles, La.

[Signature]

NOTARY PUBLIC (ID # 10044)

RICK J NORMAN  
(Print)

LOUISIANA DEPARTMENT OF  
ENVIRONMENTAL QUALITY

Mike D. McDaniel, Ph.D., Secretary

BY:

[Signature]  
Harold Leggett, Ph.D., Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 6<sup>th</sup> day of

August, 20 07, at Baton Rouge, Louisiana.

[Signature]

NOTARY PUBLIC (ID # 2056)

Ter B. Boyle, Jr  
(Print)

Approved:

[Signature]  
Harold Leggett, Ph.D., Assistant Secretary